WE’RE CHANGING the way you think about DENTAL WELLNESS

Inside: New Results From Our Landmark Oral Wellness Study
PRESENTED AT HARVARD SCHOOL OF DENTAL MEDICINE • OCTOBER 2014
PROTECTING MORE THAN JUST YOUR SMILE®

At United Concordia Dental, we know that oral health is about much more than a smile. It’s about the connection between oral and overall wellness and helping deliver reduced health care costs. We’re committed to protecting more than just smiles.

More than 600,000 New Members in our first year focused on oral health and overall wellness

“A LOT CAN CHANGE DURING THE COURSE OF A YEAR. In 2013, we channeled our energy on becoming a consumer-centric company focused on the important connection between oral and overall health. By focusing on data-driven decisions, accountability and results, inclusiveness and innovation, we are working to establish United Concordia as a leading, non-traditional dental wellness company. Based on new results from the research gathered and reported in our landmark study of 2012, we started another chapter in our history—seeking new ways to share the message that a healthier mouth and a healthier body go hand-in-hand, and helping guide consumers to better overall wellness.

We’ve developed and implemented new ways to share information, created new products and services targeted more clearly to differing client needs and affordability, and worked to enhance our partnerships with our dentists—making major strides toward our important and exciting transformation.

Through enhanced interaction and coordination between dentists and doctors, we can lower costs, promote overall health and deliver real savings. By engaging with consumers through targeted communication, education and treatment, we’re helping them see us as partners in their journey to overall wellness.

United Concordia Dental created a lot of momentum in 2013—generating more than 600,000 new members in our first year focused on oral health and overall wellness. This is only the beginning of a mission that will carry us far into the future, as we continue to build awareness, provide education and do all we can to ensure that people everywhere understand the important connection between oral health and overall wellness.

We’re excited about the challenges of the years ahead. As we heighten our commitment to taking our company and industry to the next level, we are solidifying our strategic move from dental insurer to a non-traditional dental wellness company unlike any other.

“Dental-medical integration means that oral health is viewed—and acknowledged—as part of the overall health equation.”

— James Bramson, D.D.S.
Chief Dental Officer, United Concordia Dental

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Increasingly reputable research indicates a connection between good oral health and overall health. Costly medical conditions such as heart disease, diabetes, preterm birth, kidney disease and dementia can be improved by maintaining good oral health.”

— Evelyn F. Ireland, CAE
Executive Director
National Association of Dental Plans

The Study That Started It All

In 2012, we presented our landmark study to a scientific audience and started on our corporate wellness journey. In that study, United Concordia Dental partnered with Highmark Inc. and respected researcher Marjorie Jeffcoat, D.M.D., professor and dean emeritus at the University of Pennsylvania School of Dental Medicine, to examine an initial database of more than 1.7 million patients who had both medical and dental insurance during a three-year period. The results of this landmark study showed a critical connection between the health of the mouth and the overall health of the body, and the significant medical cost savings that can be achieved when patients with certain chronic conditions, such as diabetes, receive ongoing treatment and maintenance for gum disease. We believe the results underscore the critical need for an integrated approach to wellness through better coordination between dental and medical providers.

The Good News Continues

In 2014, we followed up with additional research published in the American Journal of Preventive Medicine. This new research continues to show that significant cost savings and reduced hospitalizations are possible when consumers with other medical conditions, like heart disease or stroke, or who are pregnant, effectively treat their gum disease. Drawing on five years of data, these new findings look at the amount of savings possible when individuals with more than one chronic condition treat their gum disease. With additional data and further analysis, we can clearly show a significant decrease in annual medical costs and decreased hospitalization visits when people with these diseases treat and manage their oral health. Find out more about this exciting news on page 8.

AS WE LOOK BACK AT THE PAST YEAR, it will always stand out as a year that further changed who we are as a company. It’s not something hastily done or easily accomplished, but it’s something each and every one of us at United Concordia Dental believes is truly necessary for ourselves, our industry and our members—continuing our exciting transformation into a non-traditional dental wellness company that creates products, partnerships and technologies essential to connecting consumers to a healthier life through a healthier mouth.

In 2013, United Concordia Dental had another strong financial year, ensuring the resources we need to move forward, impact lives and help members improve their oral and overall health like never before.

We continued to build our nationwide network of dentists—one of the nation’s largest—and our distribution channels; added to our range of cost-effective and responsive plans and programs; enhanced our website; and created simpler ways for members to engage with us. We also developed strategic health partnerships, created an award-winning mobile app and strengthened our position as an industry leader.

By taking a deeper dive into the research from our landmark 2012 study, we built on our earlier findings, clearly illustrating the important connection between oral and overall wellness. Our study further demonstrates that significant cost savings are possible when individuals with gum disease receive and maintain treatment. This insight continues to drive and inspire us as we develop new ways to share this important story and ensure consumers become more active in their own oral health care.

In fact, the connection between oral health and overall health was the focus of an invitation-only event sponsored by the Harvard School of Dental Medicine called “Put Your Money Where Your Mouth Is: The Economic Imperative of Oral Health.” This event, held October 2014, featured a panel of experts moderated by Marjorie Jeffcoat, D.M.D., professor and dean emeritus, University of Pennsylvania School of Dental Medicine, where data from United Concordia Dental’s study was presented as compelling evidence on the costly impact of poor oral health on overall wellness.

As we work closely with employers, producers, dentists and our partners, we are delivering products and services that help meet the ever-changing needs of consumers. With a focus on improving the oral health and well-being of the members we serve and as a recognized leader in the industry, there’s great responsibility in change; but, the importance of that change cannot be ignored.

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For all of us at United Concordia, it was an exciting year and we look forward to continuing this momentum as we build toward the future, transforming into a non-traditional dental wellness company in all we do.


“United Concordia Dental recognizes the relationship between oral health and overall body wellness and is committed to developing a plan to create healthier members by first improving oral health.”

—Dr. Ayeez Lalji
Lake Pointe Dental & Specialty has eight offices in Houston, TX, and surrounding areas
LakePointeDentalUSA.com

EACH YEAR ACROSS THE COUNTRY, more than seven and a half million members and over 25,000 clients depend on us for their dental benefits. For members like these, it’s critical that we continue to build a unique and satisfying experience through personalized and responsive care, innovative and affordable products and programs, and digital platforms that make benefit information accessible and convenient. We also must ensure our nationwide network of dentists continues to grow, so that we can offer unparalleled access to quality dental care when and where it's needed.

Now it’s time to do even more for our customers everywhere. It’s time to impact their lives and their health like never before, as we continue to transform ourselves from a traditional dental insurer into a non-traditional dental wellness company. It’s time for us to demonstrate the connection between oral health and overall health, and take everyone on a journey to greater wellness. For members, it means a healthier and longer life. For businesses, it means healthier employees, fewer days away from work and lower costs. This is our mission, our commitment and our responsibility for today and the future.

More than 7.5 million members
25,000 clients
AND
OVER
$1.1 billion in revenue

“With medical costs soaring and the general health of American workers declining, the squeeze is on to find creative solutions like United Concordia Dental’s wellness product, Smile for Health®—Wellness.”

—Rachel Stone
Benefits Administrator, Bashas Inc.
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Increasingly over the past few years, information has become available about the strong link between dental health and overall health. The City of Tempe has always provided an incentive as part of its Wellness Program for employees to get an annual dental checkup.

— Jon W. O’Connor
Deputy HR Director, City of Tempe, Arizona

The City of Tempe is a government entity that has been a United Concordia Dental customer since 2009 and added Smile for Health®–Wellness to its coverage in 2013.

Our latest round of findings has been published by the American Journal of Preventive Medicine, a peer-reviewed medical journal. This distinction further establishes the validity and enhances the credibility of the savings identified by this refined review of the data. Dr. James Branson, chief dental officer, United Concordia Dental, adds that, “It is highly unusual for a study focused on oral health to be published in a medical journal.” A copy of the study can be found on the USB drive located on the inside back cover of this publication.

Our findings continue to show that when individuals with both gum disease and certain chronic diseases receive treatment and that treatment is maintained, significant savings are possible, especially when you account for those individuals with multiple diseases.

To help employers and producers understand what this study means for them, we have authored a white paper, available on our website—UnitedConcordia.com—and on the USB drive included with this publication.

Kim Pinkerton, division vice president, Mid-Atlantic Region, Sales, says, “United Concordia Dental has created a number of outreach and support activities to help our members better understand the important connection between oral and overall wellness. By collaborating with United Concordia Dental’s new wellness coaches, our clients should see some pretty significant results in the form of improved care and decreased cost.”

Dr. Jeffcoat is a renowned, award-winning published researcher who maintains a dental practice in Philadelphia, where she treats patients with complex dental and medical needs. She is a graduate of the Massachusetts Institute of Technology and the Harvard School of Dental Medicine, where she taught for 10 years; a former member of the National Institutes of Health Advisory Committee for Research on Women’s Health and the National Institute for Dental and Craniofacial Advisory Council; and serves as a member of the Institute of Medicine and the International College of Dentists. She is a past president of the Academy of Osseointegration, the American Association for Dental Research and the International Association for Dental Research, and has contributed to the editorial boards of several professional research journals for more than 20 years.

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HERE’S THE GOOD NEWS FROM UNITED CONCORDIA DENTAL!

Our research shows dramatic health care savings are possible with proper treatment and maintenance of gum disease in patients with certain chronic conditions and women who are pregnant.

**Periodontitis, commonly known as gum disease, is an all-too-common condition in the United States.**

74% of Americans will have periodontitis at some point in their lives.¹

**Growing scientific evidence suggests a link between periodontitis and certain chronic conditions.**

50% of adults over 21 are affected by chronic conditions such as heart disease, stroke and diabetes.²

**Gum disease produces oral bacteria and inflammatory agents that get into the body, and travel to places where inflammation sets in and triggers chronic conditions.**

$5,681 per person with stroke

$1,090 per person with heart disease

$2,840 per person with diabetes

$1,477 per person for diabetic preventative drug costs

$2,433 per pregnant woman

**MEDICAL COST SAVINGS**³

**HOSPITALIZATION REDuctions**⁴

21.2% for people with stroke

28.6% for people with heart disease

39.4% for people with diabetes

**EVERYONE WINS WITH ORAL WELLNESS.**

HEALTHIER MOUTHS

HEALTHIER EMPLOYEES

HEALTHIER BOTTOM LINE

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³ Savings after seven or more periodontal visits.

⁴ Jeffcoat, M., et. al., Periodontal Therapy Reduces Hospitalizations and Medical Costs in Diabetics, Abstract, American Association of Dental Research, March 21, 2014. Savings applicable to employers only, not consumers.
AS A LEADER IN THE INDUSTRY, we’re recognized for our focus on helping members cover the expenses of preventive dental care, restoration and dental emergencies. Through input from our members and dentists, we’re constantly working to add to the range of cost-effective and responsive plans and programs available from United Concordia Dental.

A recent network sharing agreement between United Concordia Dental, Dental Network of America (DNoA) and DenteMax further solidifies our position as one of the nation’s largest networks with more than 102,900 unique dentists and over 283,100 access points. And as our network continues to grow, so does our ability to provide high-quality, accessible care to our members and clients, while helping our producers, participating dentists and partners realize additional business opportunities.

Excellence Rewarded

As a testament to our ongoing commitment to provide quality care for members, we have been recognized with URAC’s Health Network Accreditation, the equivalent of the medical industry’s National Committee for Quality Assurance (NCQA) accreditation. This significant milestone in our history is a great example of the trust we’ve earned as a company in every aspect of our network operations, including network management, provider credentialing, utilization management, quality management and improvement, and consumer protection.

NEARLY 103,000 Dentists
AT OVER 283,000 Locations

“United Concordia Dental has been instrumental in supporting research that has conclusively demonstrated the effect of oral health on systemic health. This research is helping to transform the way dentistry is practiced, as well as how dentistry is perceived by the medical community.”

— Dr. Craig Abramowitz
North East Dental Management includes 49 affiliated practices in six states
nedentalmanagement.com
IN ORDER FOR US TO TRULY IMPACT MEMBERS and be effective in reaching them with our message of dental wellness, we understand we need to be in all the many places that touch their lives so they can enjoy greater access and make more informed decisions about their benefits and their health. It’s why we’ve worked so hard to create forward-thinking digital platforms and put technology and innovation to work for us.

Today’s on-the-go members can engage with us from their laptops, smartphones and tablets through a useful collection of user-friendly tools designed to help them stay connected and up to date with everything healthy. For members who prefer a more personalized experience, a simple phone call connects consumers with a responsive, resourceful member of our United Concordia Dental team who can answer their questions.

At UnitedConcordia.com, members can access information through enhanced search and navigation features, making it easier than ever for them to find exactly what they need with just a few quick clicks.

When members are away from a computer, innovative mobile tools like our United Concordia Dental app can provide answers to dental health questions and put coverage information at their fingertips.

For kids, our free Chomper Chums® app is a colorful, informative and engaging tool that makes oral health fun by teaching the importance of proper brushing, flossing and rinsing, as well as the many benefits of good nutrition. This interactive app is being recognized throughout the industry and was recently honored with a prestigious Techburger Award.

In the social sphere, consumers can find us on Facebook, Twitter, YouTube and LinkedIn. In 2013, we engaged consumers with our company through a Facebook program designed to educate them about the important connection between oral and overall wellness, while supporting three charities—National Diabetes Association, March of Dimes and Arthritis Foundation—connected to United Concordia Dental’s mission.

For us, it’s all about delivering the right blend of technology and people to provide a comprehensive, on-demand experience for our consumers and inspiration for our employees. Ensuring a positive member experience helps us move our company to the next level and focus us on our mission to stand out as a recognized leader in our industry.

Going Above and Beyond is Standard Procedure

- Both our Government and Commercial Call Centers have earned BenchmarkPortal Certification as Centers for Excellence.
- Our Commercial Call Center also earned first place in the medium-size Call Center Category in BenchmarkPortal’s Top 100 Call Center Competition.
- Most member calls are answered within 30 seconds, with a first-call resolution of more than 97%.
- Nearly 100% of all claims are processed in 30 days, with 70% processed electronically and 98% paid in 30 days.
Healthy bottom line
Generating more than $1.1 billion in revenue

THROUGH A COMBINATION OF FOCUSED EFFORTS, United Concordia Dental recorded another strong financial year. Together, our team kept our bottom line healthy, generating more than $1.1 billion in revenue and earning solid ratings for financial stability. It’s this ongoing strength that gives us the opportunities we need to move forward, impact lives, and help members improve their oral and overall health.

For us to successfully continue our mission and ensure everyone understands the important connection between oral health and total wellness, we must build on this positive momentum. We must continue our investment in technology, our people and our operations to help us grow as a company and provide a complete and satisfying experience for our members. Our goal is to be a non-traditional dental wellness company that is easy to do business with no matter who or where you are.

It’s through the tireless efforts of our employees that United Concordia Dental will stay at the forefront of the industry for electronic explanations of benefits and provide the tools, flexibility and personal service necessary for members and businesses who rely on us to be there when they need us most.

We are upgrading our behind-the-scenes operations to make purchasing and managing dental benefits easier; instituting the first of its kind pay-for-performance reward system for dentists as part of our Active Duty Dental Program (ADDP) contract; and continuing to focus on creating the partnerships essential to delivering dental products on exchange in the marketplaces created by Health Care Reform.

We are changing the way we think and the way consumers think, while moving into the future as a company committed to oral wellness, overall wellness, member engagement and satisfaction. We are focusing our efforts and energy on achieving significant results for our consumers and our employees for years to come.

2013 saw solid growth from our strategic health partnerships, bringing total membership to more than 7.5 million.

Positive Results.
Positive Numbers.
Senior Management Team

David L. Holmberg  
Chairman and Chief Executive Officer

F. G. “Chip” Merkel  
President and Chief Operating Officer

James B. Bramson, D.D.S.  
Chief Dental Officer

Barbara L. Breslin  
Senior Vice President, Operations and IT Strategy

Richard J. Enterline  
Vice President, Deputy General Counsel

Donna W. Hunter  
Vice President, Corporate Administration and Development

Thomas J. Palmer  
Senior Vice President, Sales and Service

Jon K. Seltenheim  
Senior Vice President, Business and Government Strategy

Sandra F. Stefanic  
Vice President, Dental and Government Information Technology

Steve M. Sucheski  
Vice President, Strategic Realization and Program Management

Daniel J. Wright  
Senior Vice President and Chief Financial Officer, Subsidiary Business

Board of Directors

Nanette P. DeTurk  
Executive Vice President, Chief Administrative and Financial Officer and Treasurer  
Highmark Inc.

David L. Holmberg  
Chairman of the Board of Directors and Chief Executive Officer  
Highmark Inc.

Kelly S. Lieblein  
Regional Vice President, Sales  
Highmark Inc.

Jason D. Mann  
President and Chief Executive Officer  
USAble Life

David W. Matter  
Retired  
Oxford Development Company

William J. Stallkamp  
Retired  
Penn Hudson Financial Group

Check out our new brand video about United Concordia’s focus on dental wellness. Learn about the important connection between oral health and overall wellness and how we are transforming the dental industry.

You can also view a digital version of this publication at UnitedConcordia.com/ourdentalstory